

MILLIONS IN NEW PAPER MONEY IN CIRCULATION WITH NEW BANKS

Federal Reserve Institutions to
Get Engraved Currency in
Excess of \$37,000,000

(By Latest Mail)
WASHINGTON, D. C.—Millions of
dollars' worth of paper money will
be put into circulation upon the es-
tablishment of the federal reserve
banks.

Under the federal reserve bank act
each of the twelve federal banks will
receive advances from the federal re-
serve board in the form of reserve
notes, a distinctly new sort of paper
money. Commercial paper will be the
collateral advanced by the banks as
security for these notes.

New Notes are Prepared.

Comptroller of the Currency Wil-
liams has samples of the new paper
money under consideration. At his
request Joseph E. Ralph, director of
the bureau of engraving and printing,
prepared notes of \$5, \$10, \$20, \$50 and
\$100 denominations. These have been
submitted to Secretary McAdoo. It is
not likely, however, that the samples
will be accepted officially until the
members of the reserve board have
been confirmed by the Senate and can

confer with Secretary McAdoo and
Comptroller Williams concerning the
new notes.

At present no official of the treas-
ury department is able to make any
estimate of the amount of federal re-
serve notes which probably will be
put into circulation this year. Reserve
banks are required under the law to
keep gold reserves of not less than
40 per cent against federal reserve
notes in actual circulation. The
amount of these notes required by the
federal reserve banks will depend
largely on the amount of money re-
quired by member banks for the re-
discounting of commercial paper.

Sum May Exceed \$37,000,000.

At harvest time last year Secretary
McAdoo permitted banks in the West
and South to borrow money on com-
mercial paper and about \$37,000,000
was loaned. The immediate demand
for federal reserve notes probably will
be far in excess of that sum, as the
harvest loans were limited to the
farming sections, while the entire
United States will draw on the re-
serve board for money to rediscout
agricultural, industrial and commer-
cial paper. The money for harvest
emergencies was limited to 28 states

POLICE SIFTINGS

NG Wing Sung, editor of the Lib-
erty News, a local Chinese daily news-
paper, was today placed under arrest
charged with criminal libel, a local
Chinese business man named Kum
filing charges against the publisher
in which it is alleged that himself
and members of his family have been
held up to scorn and ridicule. The
article alleged to have recently ap-
peared in the Liberty News is de-
clared to seriously reflect upon the
reputation of the complainant. Editor
Wing Sung, accompanied by Lew Joe
appeared at police station where bail
to the amount of \$500 in gold and sil-
ver coin was deposited with Clerk
James Olds, to insure the appearance
of the newspaper man before District
Magistrate Monsarrat.

and none of it went to New York and
New England.

Description of the New Notes.

The new \$5 note submitted by Mr.
Ralph is typical of agriculture. The
portrait on the face of the note is
Lincoln's and the back shows a har-
vesting machine and allegorical fig-
ures typical of farming. The \$10
note bears a portrait of Cleveland and
a manufacturing scene. The \$20
note bears Jackson's portrait and is
typical of commerce, having a steam-
ship, train and other mediums of trade
on the back. Grant's picture is shown
on the \$50 note, and Franklin's por-
trait adorns the \$100 bill. Both of
these larger bills are typical of the
arts. All the bills will be printed in
green ink on the back, while black ink
will be used on the faces.

For some time the treasury depart-
ment has been anxious to make all
paper money more uniform. Differ-
ent portraits appear on different sorts
of paper money of the same denomina-
tion. It is likely that the portraits
selected for use on the federal reserve
notes also will be used on other paper
money. So, in the future, all bank
notes, gold certificates, silver certifi-
cates and federal reserve notes of \$5
denomination probably will bear Lin-
coln's portrait and so on through the
series up to \$100.

Gold to Redeem the Notes.
Of the 40 per cent gold reserve
banks maintain against their out-
standing federal reserve notes, at
least 5 per cent will be kept in the
United States treasury for the re-
demption of such notes.

It is provided under the new law
that when one federal reserve bank
receives federal reserve bank notes
issued by another bank it must return
them immediately to the issuing bank
and a heavy penalty is provided for a
bank which pays out notes other than
its own.

TOO SHORT

"I didn't lose any money in that
furry in copper. I sold Amalgamat-
ed short."
"So did I, but I lost heavily."
"I don't see how you could."
"The man I sold it to was short,
too."

WALDRON OFFER NOW DECLARED TO BE ILLEGAL

Attorney Points to 'Supreme
Court Decision Against
Such a Proposal.

Fred L. Waldron's offer to run for the
mayorality on a salary-to-the-poor basis
not only stirred up other candidates
for the office but brought out two de-
clarations that his offer is illegal.

From a well-known attorney the
Star-Bulletin has received the follow-
ing statement:

"Referring to the statement in this
morning's Advertiser in regard to the
candidate of Mr. Fred L. Waldron for
mayor, may I call your attention to
the fact that several of the Supreme
Courts of the States have held that
where one is elected to a public office
on a pledge made by him that he
threw his vote or any part of his salary
will be waived or donated to any sta-
ted charity, the election will be de-
clared void, as such a pledge is held
to be contrary to public policy in that
it amounts to corruption and bribery
of the electorate."

The attorney accompanies this with
a copy of a Supreme Court decision in
Wisconsin, which upholds the legal
contention made today and cites
several instances to show that the law
regards it as against public policy for
a candidate to offer to perform the
duties of office for a sum less than
the salary.

Another voice of opposition to Mr.
Waldron's plan is from a man who has
declared himself as a candidate for
city office—not the mayoralty. He
addresses the Star-Bulletin as fol-
lows:

"Editor Honolulu Star-Bulletin:

"Sir:—Mr. Waldron's offer sounds
lofty, patriotic and unselfish, but all
the same it is an attempt to bribe the
voters to confer on him the dignity of
first citizen of the city and county.
There is no more reason why munici-
pal officers should give their salaries
to charity than there is why terri-
torial officers should do the same
thing. Moreover, the insinuation that
the majority of candidates are out for
the salaries is a gratuitous insult.
There are just as high-minded citi-
zens in the lists as their detractors.
For my part I am a regular contribu-
tor to several benevolent and chari-
table institutions and have always
been ready to help bury the dead and
assist the indigent survivors of unfor-
tunate acquaintances, but would con-
sider it degrading to exploit simple
duty performed in these respects in
an election campaign document. Mr.
Waldron should have thought twice
before putting himself in the position
of a philanthropist on the contingency
of being given a public office. If he is
ambitious to be mayor, let him come
out on his merits, and if elected do
what he will with his own, only re-
membering the admonition not to let
his left hand know what his right
hand doeth."

"CANDIDATE."

LOCAL AND GENERAL

The members of Honolulu lodge No.
616, B. P. O. E., will meet at 7:30
o'clock this evening in the rooms of
the lodge, King near Fort street.

A meeting of the members of the
Promotion Committee will be held in
the rooms of the committee, Bishop
street, at 3:30 o'clock this afternoon.

There will be work in the third de-
gree at a special meeting of Oceanic
lodge which has been called for 7:30
o'clock this evening in the Masonic
temple.

The secretary of the Chamber of
Commerce of Honolulu is in receipt
of several communications from per-
sons in Honolulu and on the main-
land in which they apply for posi-
tions. The positions specified are chi-
ropodist, bookkeeper, privatesecretary,
distiller or cafe helper, general clerk,
stenographers and office helpers. The
applications are from both men and
women and the secretary requests that
persons in need of such help commu-
nicate with him.

SPEED LAW VIOLATORS, EASILY CAUGHT, BUT GO FREE WITH WARNING

Sheriff Charles Rose has declared
for the strict enforcement of the traf-
fic law as it applies to the operation
of automobiles and other vehicles on
Kalakaua avenue. Beginning with the
first of the week an officer has been
stationed at the intersection of King
street and Kalakaua avenue, whose
duty it is to compel drivers of cars
proceeding in the direction of Wal-
kiki to follow the right hand side of
the highway. While it is pointed out
that this portion of the road is yet
unimproved, the sheriff believes that
the time is ripe for the observation
of the traffic ordinances and he stated
this morning that he proposed to deal
severely with any and all violators.

This morning the drivers and own-
ers of seven licensed cars were
brought to police station and warned
that further infraction of the law in
traveling Kalakaua avenue would be
followed by arrest, and with a con-
viction, a substantial fine would be
imposed.

A SURE SIGN.

"And do you really love me,
George?" she asked.
"Love you!" repeated George, fer-
vently. "Why, while I was bidding
you goodbye in the vestibule last night,
dear, the dog bit a large chunk out of
my leg and I never noticed it until I
got home."

SALARIES MIGHT GO TO SECURE CITY MANAGER

Albert Waterhouse Suggests
Variation for Plan Pro-
posed by Waldron

Publication yesterday afternoon in
the Star-Bulletin of the fact that Fred
L. Waldron was considering a candi-
dacy for the mayorality brought forth
later in the day a definite statement
from Mr. Waldron that has stirred up
unusual interest in political and busi-
ness circles. He offers himself as a
candidate for mayor on a non-partisan
ticket and will donate to charity his
salary forfeited. As a proviso he
asks that others on the ticket do the
same.

As a variation to the plan proposed
by Mr. Waldron, the following sugges-
tion was made in an interview today
with Albert Waterhouse:

"I was much interested in my
friend Fred Waldron's announcement
in the morning paper but feel that he
has made a blunder in his suggestion
that the mayor and supervisors' salary
be donated to some charity. This
\$7200 per annum should be given, to-
gether with an appropriated salary, to
a city manager. If Fred is working
on the principle that charity begins
at home, his proposition to my mind
is O. K."

"The gross revenue from all sources
for the city and county next year will
be very close to \$1,300,000, or \$100,-
000 per month, and we are attempting
to spend this through a structure of
municipal government that cannot
possibly produce efficient results. We
have a board of supervisors who give
to the city their overtime—their time
outside their regular business, and a
mayorality office which is hardly even
a factor because it gives the mayor
scant opportunity and little power."

"We do not need a change of char-
ter to secure an efficient city man-
ager along the lines I have suggested.
What we do need is men like Fred
Waldron who will get into harness
and run the county government along
some such plan as this. The mayor
and supervisors can continue as the
board, the mayor still continue as the
formal executive head of the city. If
they will give their salaries to a city
manager, the detail work will be taken
off their hands and the time the
supervisors have to give to their pub-
lic duties will be sufficient."

Mr. Waldron's offer is as follows:

"I will become a candidate for
mayor of the City and County of Ho-
nolulu, at the head of a strictly non-
partisan, businessmen's ticket, pro-
vided all the other candidates who
run on such a ticket join with me in
a pledge to donate the full amount of
their salaries to any Hawaiian chari-
ty, the particular charity to be design-
ated previous to the election by the
Hawaiian Associated Charities."

"I believe that the government of
this community will never be placed
on an orderly, businesslike basis until
citizens who care more for the honor
of serving the community than for
the emoluments of office offer them-
selves as candidates for election."

"On this platform of unpaid service
to the community in which I live I
will announce myself as a candidate
for the office of Mayor of Honolulu."

NOTHING TO FORGIVE.

"I may seem a brute, Mabel," said
the innocent young man, "but I ought
to tell you that last night at your party
your sister promised to marry me.
Will you forgive me for taking her
away?"
"Forgive you!" replied she, "why,
that's what the party was for!"

FRANCE'S NEW LOAN LARGELY FOR DEFENSES

Army and Navy Program and
Morocco Said to Call for
1,925,000,000 Francs

(By Latest Mail)

PARIS.—It is evident from the re-
sults of the voting on Tuesday, when
142 unified Radicals voted for the Vi-
viani cabinet, while only 18 voted
with the Socialists and eight abstained,
that a majority of the group is
determined to support the new cabi-
net.

This, they doubtless find, is easier
to do, since the financial problem is
now regarded as of the most imme-
diate concern and in this the Viviani
policy is wholly acceptable to the
united Radicals.

Practically the whole of the new
loan is for defense purposes. The 3-
year army service law is responsible
for about £600,000,000; general in-
crease in armaments, about £700,000,
000; acceleration of the navy program,
£400,000,000; whilst £225,000,000 are
for expenses incurred in Morocco in
1914.

JOIN YOUR FRIENDS AT THE SEASIDE

tomorrow evening, when the regular
weekly dance is held, and, to the
splendid music of Fial's orchestra,
pass the last few hours of the week
in jolly dancing in pleasant com-
pany.—advertisement.

Morning on 'CHANGE

Hawaiian Commercial sold down ¼
point to 25.25 for 5 and 20 shares on
the board today. Olua continues to
sell at 1.50; today's sales being 30 and
25 shares. Beets shaded down yester-
day, while Hawaiian cane remains at
3.25.

Y. M. C. A. Cafeteria will open at 6
a. m. Saturday, July 25.—advertis-
ment.

PUBLIC NOTICE

Inasmuch as the tendency among progres-
sive merchants is to shorten rather than lengthen
the hours of their employes, thereby assuring
their customers willing and efficient service,

The Hollister Drug Co., Ltd.

beg to announce that they will adhere to the
hours during which they have, for many years,
served the public, viz:

6:30 a. m. to 8:30 p. m. Daily
6:30 a. m. to 9:30 p. m. Saturdays
8:00 a. m. to 12 noon, and 5:30 p. m.
to 7:30 p. m. Sundays

While it is our aim at all times to maintain
the satisfactory service which has made "Hol-
lister's" a household word in Hawaii, we also
have in mind the welfare of our employes.

Emergency needs telephoned to 3971 or
1865 at any hour, day or night, will be cheer-
fully and quickly executed without additional
charge.



Hollister Drug Co., Ltd.

Coffee Finds Its Place

The Literary Digest, of March 28, 1914, quoting the New York World, says:

"Cocaine and its allied intoxicants appear to be about
the cheapest things in the market. They are seemingly
cheaper than whiskey, cheaper than beer, cheaper in
proportion to effects than tea or coffee."

The best teaching of today is distinctly against the use of coffee, tea and
other drugs, and drug-bearing beverages—especially among the young. It is well
established that headache, nervousness, indigestion, sleeplessness, and other
aches and pains are commonly caused by coffee drinking.

People are becoming alive to this fact and thousands have quite coffee and
now use

POSTUM

A Pure Food Drink

Made of whole wheat and a small per cent of molasses, Postum is a rich bev-
erage much resembling high-grade Java in taste, but is absolutely free from the
coffee-drug, caffeine, or any other harmful substance.

Postum now comes in two forms:

Regular Postum—must be well boiled—15c and 25c packages.

Instant Postum—a soluble form—requires no boiling—30c and 50c tins.

The cost per cup of both kinds is about the same.

"There's a Reason" for POSTUM

—sold by Grocers everywhere